

RFP Scorecard

Once your due diligence program has been established, you may find the following evaluation template helpful in your review process. This template is for investment manager reviews; however, it can be adapted to evaluate any area of your organization or thirdparty service providers. Key factors, determined by your organization, are given weightings based on importance. Using the criteria you outline, each service provider or area of the organization is evaluated and ranked based on their score. In the case of evaluating thirdparty service providers, the total score can help your organization determine who to hire. And, when evaluating key aspects of your organization, this score card may help you discover areas that are operating particularly well or areas for improvement.

SAMPLE SCORECARD

	MAX SCORE	ORGANIZATION A	ORGANIZATION B	ORGANIZATION C	ORGANIZATION D
Firm Profile	15				
People	10				
Investment Philosophy	15				
Process	15				
Portfolio Recommendation	15				
Fees	12				
Performance	12				
RFP Readability	6				
Total	100				

SAMPLE EVALUATION CRITERIA FOR INVESTMENT MANAGERS

	POSITIVE	NEGATIVE
Firm	<ul style="list-style-type: none"> - Employee ownership - Investment focus - Gaining assets/accounts - Fiduciary qualities of prudence, duty of care and loyalty - Diversified client base - Business model aligned with client interests - Employee tenure 	<ul style="list-style-type: none"> - Outside ownership - Lack of employee ownership - Concentrated ownership at the top - Marketing/asset gathering focus - Trouble attracting new business - Losing current clients - Lack of fiduciary focus - Firm not profitable/experiencing declines in profitability - Regulatory Issues
People	<ul style="list-style-type: none"> - Depth and stability of investment team - Credible client service - Dedicated endowment, foundation and nonprofit practice 	<ul style="list-style-type: none"> - Lack of depth - Unusual level of professional turnover - Retail focus - Questionable ethics - Motivated by earnings - Lack of endowment, foundation and nonprofit expertise
Investment Philosophy	<ul style="list-style-type: none"> - Well-articulated - Research-driven - Rewards commensurate with risk - Time tested 	<ul style="list-style-type: none"> - Not clearly articulated - Unclear about: <ul style="list-style-type: none"> - How portfolios are constructed - Where ideas are generated - Who evaluates ideas - Unclear or inconsistent valuation discipline - Leverage or derivatives are used to distort risk - Changing decision process
Process	<ul style="list-style-type: none"> - Explainable - Repeatable - Transparent - Disciplined 	<ul style="list-style-type: none"> - Fragmented and unexplainable - Inconsistent with philosophy or returns - Difficult to understand
Portfolio	<ul style="list-style-type: none"> - Reflective of philosophy and process - Good risk adjusted expected returns - Aligned with organization's needs and objectives - Sufficient active management 	<ul style="list-style-type: none"> - Unexpected trend in portfolio risk/return characteristics - Overly complex, unclear fee structure - Inconsistent with organization's needs and objectives
Fees	<ul style="list-style-type: none"> - Transparent - Reasonable 	<ul style="list-style-type: none"> - Complicated - Vague - Excessive
Performance	<ul style="list-style-type: none"> - Outperforms benchmark over multiple, rolling, long-term time periods - Performance consistent with approach and prevailing market conditions - Performance in line with expectations - Credible explanation of performance - Outperformance in down markets 	<ul style="list-style-type: none"> - Underperforms benchmark over multiple, rolling, long-term time periods - Tracking not consistent with benchmark - Performance inflated/deflated due to influence of a single time period - Performance not in line with expectations - Poor long-term performance - Outperformance during periods where approach should produce lower returns - Large negative returns in down markets

If you would like to learn more about implementing a due diligence program or receive other sample evaluation tools, like an RFP, please do not hesitate to contact [Laura LaRosa](mailto:laura.larosa@glenmede.com) at 215-419-6027 or laura.larosa@glenmede.com.